
WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

JUNE 30, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JAN 08 2014



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WEST BATON ROUGE PARISH SCHOOL BOARD

BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

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Independent Auditors' Report

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining non-major fund information of the West Baton Rouge Parish School Board (the School Board) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining non-major fund information of the School Board, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Information, and the Schedules of Funding Progress and Employer Contributions for Other Post-Employment Benefit Plans presented on pages 3 through 9, pages 38 through 42, and page 43, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements as a whole. The combining and individual non-major fund financial statements and the schedule of board members' compensation on pages 46 through 51 and page 52, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards on page 57 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the schedule of board members' compensation, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The information included in the performance and statistical data on pages 69 through 80 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it. Our report on performance of agreed-upon procedures with respect to such information is dated November 19, 2013.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2013, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Poellthorne & McArthur

Baton Rouge, Louisiana
November 19, 2013

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013**

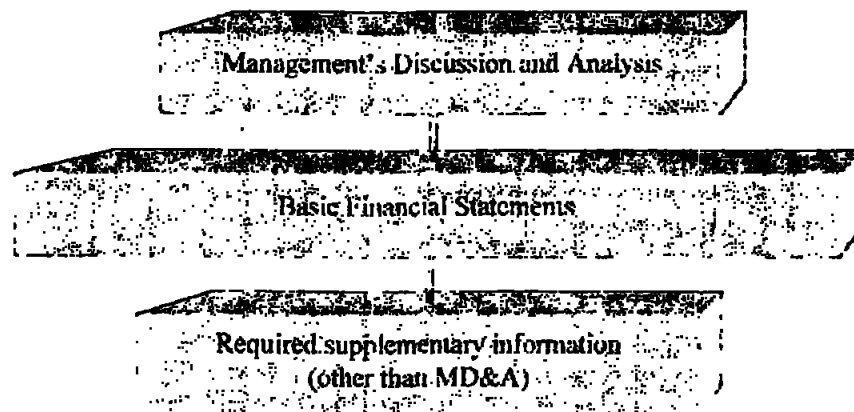
The Management's Discussion and Analysis of the West Baton Rouge Parish School Board's financial performance presents a narrative overview and analysis of West Baton Rouge Parish School Board's financial activities for the year ended June 30, 2013. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- ★ The West Baton Rouge Parish School Board's assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources at the close of fiscal year 2013 by approximately \$28,000,000.
- ★ During the year, the School Board's revenues exceeded expenses by approximately \$346,000.
- ★ State MFP funding increased by approximately \$630,000 from the prior year.
- ★ The General Fund operated at a surplus of approximately \$417,000, and ended the fiscal year with an accumulated fund balance of approximately \$5,549,000. The fund balance signifies that the financial condition of the School Board remains favorable.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.



These financial statements consist of four sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

Government -wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to private sector business.

The *statement of net position* presents information on all of the School Board's assets plus deferred outflows and liabilities plus deferred inflows, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements

A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Projects Fund, Property Tax Fund, and the EFID Sales Tax Fund, all of which are considered major funds.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

Governmental funds (continued)

The remaining funds are combined into a single, aggregated presentation under the label of other non-major governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts annual appropriated budgets for the General Fund, Capital Projects Fund, Property Tax Fund, EFID Sales Tax Fund, Debt Service Fund, and all Special Revenue Funds.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School Board's programs. The sole fiduciary fund of the School Board is the School Activity Fund, which contains monies belonging to the schools, their students, clubs, and other activities.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

FINANCIAL ANALYSIS OF THE ENTITY

Statements of Net Position
as of June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>change</u>
Cash and other assets	\$ 15,360,633	\$ 15,116,463	\$ 244,170
Receivables	3,039,110	2,819,865	219,245
Investments	5,878,303	5,126,154	752,149
Capital assets, net	14,061,535	14,143,910	(82,375)
Total assets	<u>38,339,581</u>	<u>37,206,392</u>	<u>1,133,189</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Accounts, salaries, and other payables	4,580,269	4,598,200	(17,931)
Deferred revenues	785	22,085	(21,300)
Net post-employment benefit obligations	5,047,570	4,131,751	915,819
Compensated absences payable	616,506	655,840	(39,334)
Claims payable	100,000	150,000	(50,000)
Total liabilities	<u>10,345,130</u>	<u>9,557,876</u>	<u>787,254</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Net position:			
Invested in capital assets	14,061,535	14,143,910	(82,375)
Restricted for prepaid expenses	7,630	-	7,630
Restricted for debt service	251,992	430,401	(178,409)
Restricted for food service	376,787	227,038	149,749
Restricted for compensation	6,015,490	5,306,427	709,063
Restricted for capital projects	7,299,665	7,058,273	241,392
Unrestricted	(18,648)	482,467	(501,115)
Total net position	<u>\$ 27,994,451</u>	<u>\$ 27,648,516</u>	<u>\$ 345,935</u>

- Cash and other assets account for approximately 40% of the total assets of the School Board. Cash has increased predominantly due to positive operations results. Capital assets, which are reported net of accumulated depreciation, account for approximately 37% of the total assets of the School Board for the most recent year end.
- Accounts, salaries, and other payables decreased approximately \$18,000 or less than 1% from the prior year and account for 44% of total liabilities reported. Net post-employment benefit obligations account for 49% of total liabilities and increased by approximately \$916,000 or 22% from the prior year.
- Net position invested in capital assets account for approximately 50% and 51% of total net assets reported as of June 30, 2013 and 2012, respectively.
- Unrestricted nets position accounted for approximately (0.04%) and 2% of total net position for the years ended June 30, 2013 and 2012, respectively.
- Total net position has increased by approximately \$346,000 or 1% from prior year.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

Changes in Net Position (for fiscal year)

	<u>2013</u>	<u>2012</u>	<u>change</u>
Revenues			
Charges for services	\$ 1,078,249	\$ 890,256	\$ 187,993
Operating grants	7,508,690	6,603,855	904,835
General revenues			
Taxes	24,460,292	24,672,640	(212,348)
Earnings on Investments	177,620	219,721	(42,101)
MFP	13,937,864	13,307,460	630,404
Other	382,586	259,446	123,140
	<u>47,545,301</u>	<u>45,953,378</u>	<u>1,591,923</u>
Expenses			
Regular education	15,826,408	14,195,303	1,631,105
Special education	5,477,790	5,914,417	(436,627)
Other education	6,937,459	6,140,614	796,845
Pupil support	2,382,830	1,706,188	676,642
Instructional staff	2,509,413	1,778,564	730,849
General administrative	1,429,846	1,519,597	(89,751)
School administrative	2,727,989	2,694,842	33,147
Business services	342,020	521,561	(179,541)
Plant operation and maintenance	3,900,409	3,640,839	259,570
Student transportation	2,684,319	2,614,222	70,097
Central services	471,146	376,340	94,806
Appropriations	113,989	119,263	(5,274)
Food service	2,395,748	2,362,105	33,643
Interest and bank charges	-	91,501	(91,501)
	<u>47,199,366</u>	<u>43,675,356</u>	<u>3,524,010</u>
Change in net position	<u><u>\$ 345,935</u></u>	<u><u>\$ 2,278,022</u></u>	<u><u>\$ (1,932,087)</u></u>

- Taxes have decreased approximately \$212,000 or 1% from prior year. The decrease in taxes revenues is due to the 1999 general obligation bonds were paid in full during 2012. Therefore, the School Board did not levy ad valorem taxes for debt service in 2013. MFP funds increased by approximately \$630,000 or 5% from prior year.
- Total expenses have increased by approximately \$3,500,000 or 8% during the fiscal year. Salaries include an estimated 1% step increase earned by employees based on their length of employment with the School Board.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2013, the West Baton Rouge Parish School Board had \$14,061,535 (net of depreciation) invested in a broad range of capital assets, including land, building, and equipment. (See table below)

This amount represents a net decrease (including additions, deductions, and changes in capitalization) of approximately \$82,000, or 1%.

Capital Assets at Year-end
(Net of Depreciation)

	<u>2013</u>	<u>2012</u>	<u>change</u>
Land	\$ 4,261,780	\$ 4,261,780	\$ -
Land improvements	910,813	949,647	(38,834)
Buildings and improvements	8,140,789	8,455,458	(314,669)
Equipment and fixtures	498,563	477,025	21,538
Construction in progress	249,590	-	249,590
	<u>\$14,061,535</u>	<u>\$14,143,910</u>	<u>\$ (82,375)</u>

- There was approximately \$498,000 in purchases of capital assets made by the School Board during 2013. The decrease in total capital assets is predominantly due to current year depreciation expense of approximately \$580,000.

Long-term debt

The OPEB obligation is a result of an issued accounting standard; Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. The OPEB obligation increased by approximately \$916,000 due to the cost of post-employment benefits earned for the year exceeding the amount currently funded.

Long-Term Debt at June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Claims payable	\$ 100,000	\$ 150,000
Net other postemployment benefit obligation (OPEB)	5,047,570	4,131,751
Compensated absences	616,506	655,840
	<u>\$ 5,764,076</u>	<u>\$ 4,937,591</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2013

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Budget amendments were adopted during the year ended June 30, 2013 for the General Fund, Capital Project Fund, Property Tax Fund, and EFID Sales Tax Fund to better reflect actual operations as they evolved through the fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The financial stability that is necessary to fund services provided by the School Board is achieved through federal and state funding. These revenue sources represent 39%, or \$19.9 million, of total projected 2014 proceeds. Local revenues (primarily sales and use and ad valorem taxes) represent 49%, or \$25 million, of total projected proceeds.

The West Baton Rouge Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Ad valorem tax revenue is budgeted to decrease slightly compared to 2012-2013 collections. Sales and use tax revenue is expected to generate a 3% decrease in the amount received in the prior year. The School Board is projecting to receive a total of \$13.6 million in MFP, approximately \$300,000 less than in 2012-2013. Federal revenues are projected at \$6 million.
- Total Salaries budgeted does not include the step increase earned by teachers due to implementation of Act 1 adopted by the Legislature in the 2012 Legislative Session. All other employees received an estimated 1% step increase due to their length of employment. Retirement costs will increase by approximately \$300,000 for 2013-2014 due to employer contribution rate increases.
- The EFID Sales Tax fund is expected to collect \$5.8 million in revenues and to fund \$5.7 million in salaries and general operating expenditures.
- The Property Tax fund is expected to collect \$4.6 million in revenues and to fund \$4.2 million in salaries and benefits.
- The School Board will receive approximately \$3.4 million of bond proceeds for the funding of the Brusly Elementary construction project. The West Baton Rouge Parish taxpayers were not asked to pay any additional taxes to cover the bond issuance. The School Board is repaying this project, over a 10 year period, with reserves that have accumulated over previous fiscal years.

CONTACTING THE WEST BATON ROUGE PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Jared Gibbs, Supervisor of Business Services, West Baton Rouge Parish School Board, 3761 Rosedale Road, Port Allen, LA 70767.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Cash and cash equivalents	\$ 15,324,623
Receivables	3,039,110
Prepaid expenses	7,630
Investments in certificates of deposit	5,878,303
Inventory	28,380
Capital assets, net of accumulated depreciation	<u>14,061,535</u>
TOTAL ASSETS	<u>38,339,581</u>

DEFERRED OUTFLOWS OF RESOURCES

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 38,339,581</u>
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LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES

Accounts, salaries and other payables	\$ 4,580,269
Unearned revenues	785
Long-term liabilities	
Net post-employment benefit obligations	5,047,570
Compensated absences payable	616,506
Claims payable	<u>100,000</u>
TOTAL LIABILITIES	<u>10,345,130</u>

DEFERRED INFLOWS OF RESOURCES

NET POSITION

Invested in capital assets	14,061,535
Restricted for:	
Prepaid expenses	7,630
Debt service	251,992
Food service	376,787
Compensation	6,015,490
Capital projects	7,299,665
Unrestricted	<u>(18,648)</u>
TOTAL NET POSITION	<u>\$ 27,994,451</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues		Net (Expense)
				Revenue and
				Changes in Net
				Position
				Governmental
				Unit
	Expenses	Charges for Services	Operating Grants and Contributions	
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 15,826,408	\$ -	\$ 1,007,884	\$ (14,818,524)
Special education programs	5,477,790	-	322,645	(5,155,145)
Other education programs	6,937,459	-	3,213,087	(3,724,372)
Support Services:				
Pupil support services	2,382,830	779,745	282,746	(1,320,339)
Instructional staff services	2,509,413	-	704,064	(1,805,349)
General administration services	1,429,846	-	1,280	(1,428,566)
School administration services	2,727,989	-	4,230	(2,723,759)
Business services	342,020	-	493	(341,527)
Plant operation and maintenance	3,900,409	-	7,349	(3,893,060)
Student transportation	2,684,319	-	185,686	(2,498,633)
Central services	471,146	-	816	(470,330)
Appropriations:				
Charter school	113,989	-	-	(113,989)
Non-Instruction Services:				
Food service	2,395,748	298,504	1,778,410	(318,834)
Total Governmental Activities	47,199,366	1,078,249	7,508,690	(38,612,427)
General Revenues				
Taxes:				
Ad Valorem taxes				12,503,504
Sales and use taxes				11,956,788
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				13,937,864
Interest and investment earnings				177,620
Miscellaneous				382,586
				<u>38,958,362</u>
				Change in Net Position
				345,935
				Net Position - June 30, 2012
				27,648,516
				Net Position - June 30, 2013
				<u>\$ 27,994,451</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013

	General	Capital Projects	Property Tax	EFID Sales Tax	Other Non-major Governmental	Total
<u>ASSETS</u>						
Cash and cash equivalents	\$ 5,721,981	\$ 2,344,775	\$ 3,621,663	\$ 2,803,916	\$ 832,288	\$ 15,324,623
Receivables	510,706	-	-	484,446	2,043,958	3,039,110
Prepaid expenses	7,630	-	-	-	-	7,630
Investments in certificates of deposit	752,148	5,025,750	-	-	100,405	5,878,303
Due from other funds	1,559,699	-	445	-	268	1,560,412
Inventory	-	-	-	-	28,380	28,380
TOTAL ASSETS	\$ 8,552,164	\$ 7,370,525	\$ 3,622,108	\$ 3,288,362	\$ 3,005,299	\$ 25,838,458
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts payable	\$ 143,421	\$ 70,860	\$ -	\$ -	\$ 5,739	\$ 220,020
Salaries and benefits payable	2,859,632	-	511,048	382,461	607,108	4,360,249
Due to other funds	-	-	-	1,471	1,558,941	1,560,412
Unearned revenues	-	-	-	-	785	785
TOTAL LIABILITIES	3,003,053	70,860	511,048	383,932	2,172,573	6,141,466
Fund balances:						
Nonspendable	7,630	-	-	-	28,380	36,010
Spendable:						
Restricted	-	-	3,111,060	2,904,430	600,399	6,615,889
Committed	-	7,299,665	-	-	203,947	7,503,612
Unassigned	5,541,481	-	-	-	-	5,541,481
TOTAL FUND BALANCES	5,549,111	7,299,665	3,111,060	2,904,430	832,726	19,696,992
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,552,164	\$ 7,370,525	\$ 3,622,108	\$ 3,288,362	\$ 3,005,299	\$ 25,838,458

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Fund Balances at June 30, 2013 - Governmental Funds		\$ 19,696,992
Cost of capital assets at June 30, 2013	\$ 28,689,608	
Less: Accumulated depreciation as of June 30, 2013:	<u>(14,628,073)</u>	14,061,535
Long-term liabilities at June 30, 2013:		
Compensated absences payable	\$ (616,506)	
Claims liability	(100,000)	
Net other post-employment benefit obligation		
- unfunded actuarial accrued liability	<u>(5,047,570)</u>	<u>(5,764,076)</u>
Total net position at June 30, 2013 - Governmental Activities		<u>\$ 27,994,451</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	General	Capital Projects	Property Tax	EFID Sales Tax	Other Non-major Governmental	Total
REVENUES						
Local sources:						
Ad valorem taxes	7,850,523	\$ -	\$ 4,652,981	\$ -	\$ -	\$ 12,503,504
Sales and use taxes	6,043,849	-	-	5,912,939	-	11,956,788
Earnings on investments	19,439	157,860	-	-	321	177,620
Food Services	-	-	-	-	298,504	298,504
Other	779,746	201,360	-	-	61,665	1,042,771
State sources:						
Unrestricted grants-in-aid, MFP	13,906,738	-	-	-	31,126	13,937,864
Restricted grants-in-aid	32,998	-	-	-	254,984	287,982
Revenue Sharing	119,560	-	-	-	-	119,560
Federal sources:						
Grants	22,970	-	-	-	7,197,738	7,220,708
TOTAL REVENUES	28,775,823	359,220	4,652,981	5,912,939	7,844,338	47,545,301
EXPENDITURES						
Current:						
Instruction:						
Regular education programs	11,461,006	-	1,733,307	1,314,776	1,044,927	15,554,016
Special education programs	3,866,137	-	683,215	538,018	304,888	5,392,258
Other education programs	2,653,023	-	664,804	272,568	3,204,048	6,794,443
Support:						
Pupil support services	1,734,792	-	227,311	145,684	270,049	2,377,836
Instructional staff services	1,506,189	-	150,914	93,258	686,196	2,436,557
General administration services	1,130,198	-	166,233	114,346	-	1,410,777
School administration services	2,357,582	-	215,593	64,258	-	2,637,433
Business and central services	274,608	-	24,941	33,556	-	333,105
Plant operation and maintenance	3,315,857	117,828	100,125	153,875	-	3,687,685
Student transportation	2,323,644	-	41,953	51,372	181,517	2,598,486
Food services	119,199	-	111,839	120,706	1,959,476	2,311,220
Central services	454,766	-	3,415	5,790	-	463,971
Appropriations:						
Charter school	113,989	-	-	-	-	113,989
Facility acquisition and construction	-	-	-	-	178,730	178,730
TOTAL EXPENDITURES	31,310,990	117,828	4,123,650	2,908,207	7,829,831	46,290,506
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,535,167)	\$ 241,392	\$ 529,331	\$ 3,004,732	\$ 14,507	\$ 1,254,795

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>General</u>	<u>Capital Projects</u>	<u>Property Tax</u>	<u>EFID Sales Tax</u>	<u>Other Non-major Governmental</u>	<u>Total</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Transfers in	\$ 2,956,957	\$ -	\$ -	\$ -	\$ 5,141	\$ 2,962,098
Transfers out	(5,141)	-	-	(2,825,000)	(131,957)	(2,962,098)
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,951,816</u>	<u>-</u>	<u>-</u>	<u>(2,825,000)</u>	<u>(126,816)</u>	<u>-</u>
 <u>NET CHANGES IN FUND BALANCE</u>	 <u>416,649</u>	 <u>241,392</u>	 <u>529,331</u>	 <u>179,732</u>	 <u>(112,309)</u>	 <u>1,254,795</u>
 Fund balances, June 30, 2012	 <u>5,132,462</u>	 <u>7,058,273</u>	 <u>2,581,729</u>	 <u>2,724,698</u>	 <u>945,035</u>	 <u>18,442,197</u>
 FUND BALANCES, JUNE 30, 2013	 <u>\$ 5,549,111</u>	 <u>\$ 7,299,665</u>	 <u>\$ 3,111,060</u>	 <u>\$ 2,904,430</u>	 <u>\$ 832,726</u>	 <u>\$ 19,696,992</u> (concluded)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2013

Total Net Changes in Fund Balance - Governmental Funds		\$ 1,254,795
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 498,048	
Depreciation expense for year ended June 30, 2013	<u>(580,423)</u>	(82,375)
Long Term Debt:		
Change in post-employment benefit obligation	\$ (915,819)	
Change in claims liability	50,000	
Change in compensated absences payable	<u>39,334</u>	<u>(826,485)</u>
Change in Net Position - Governmental Activities		<u>\$ 345,935</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents - School Activity Accounts	\$ 474,444
Investments	<u>34,045</u>
TOTAL ASSETS	<u>508,489</u>
<u>LIABILITIES</u>	
Amounts held for others	<u>508,489</u>
TOTAL LIABILITIES	<u>\$ 508,489</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The West Baton Rouge Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51. A board consisting of 10 members (the Board) elected from legally established districts is charged with the management and operation of the school system.

The school system is composed of a central office and 10 schools. Student enrollment as of September 2013 was approximately 3,900. The regular school term normally begins during the middle of August and runs until the end of May.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units, defined by GASB as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self balancing set of accounts.

Emphasis of fund financial reporting is on the major funds. Non-major funds (by category) or fund type are summarized into a single column. The major funds of the School Board consist of the General Fund, Capital Projects Fund, Property Tax Fund, and the Educational Facilities Improvement District (EFID) Fund.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

Funds of the School Board are classified into two broad categories: Governmental and Fiduciary, as discussed below.

Governmental Fund Types:

Governmental funds are used to account for all or most of the School Board's general operating activities. These funds focus on the sources, uses and balances of the current financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

General Fund - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Capital Projects Fund - The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund:

Fiduciary fund reporting focuses on net position and changes in the net position. The only fund accounted for in this category by the school board is the Agency Fund. Agency Funds are used to account for assets held by the board in a trustee capacity or as an agent for individuals, private organizations or other governmental units and/or other funds. Consequently, the Agency Fund has no measurement focus, but utilizes the accrual basis of accounting.

C. Basis of Presentation

The School Board's basic financial statements consist of the government-wide statements and fund financial statements (individual major fund, combined non-major fund, and fiduciary fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*. Both the government-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for those which are fiduciary in nature. Those activities are reported in the statement of fiduciary assets and liabilities at the fund financial statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Sales taxes are recognized when the underlying sales transactions occur and property taxes are recognized when a legally enforceable claim arises. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues, generally taxes.

Allocation of Indirect Expenses

The school board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on the buildings is assigned to the general administration function due to the fact that school buildings serve multiple purposes. Interest on long term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatments applied to a fund are determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus/Basis of Accounting (continued)

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within the next two months. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred and is considered available if collected within six months after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees and general long-term obligations principal and interest payments are recognized only when due.

E. Budget and Budgetary Accounting

The School Board follows these procedures in establishing the budgetary data reflected in the financial statements:

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. All of the Special Revenue Funds have legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis.

Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1.

The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended by the Board. Legally the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the fund level and management can transfer amounts between line items.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budget and Budgetary Accounting (continued)

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are re-appropriated at the beginning of the following fiscal year. Un-encumbered appropriations of certain non-grant-oriented Special Revenue Funds lapse at the end of the fiscal year.

The Capital Projects Fund budget is adopted on a project basis as projects are approved by the Board. By statute, the Board is not required to adopt a budget for its Capital Projects Fund; therefore, these funds utilize project budgets rather than annual budgets and accountability is controlled over the life of the project. These budgets are adopted on a basis consistent with GAAP.

All budget amounts presented in the combined financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. All budget revisions are approved by the 10-member Board.

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and certificates of deposits with maturity dates within three months of the dates acquired.

G. Investments

Investments are limited by LSA-R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses..

H. Inventory

Inventory is stated at the lower of cost or market based on information provided by the United States Department of Agriculture. Inventory consists of expendable supplies and food items held for consumption. The costs of inventory items are recognized as expenditures when used.

I. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of the donation. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not recorded in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and 5 to 20 years for equipment.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2002 were considered to be part of the cost of buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

J. Interfund Transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers.

K. Sales and Use Tax

The School Board levies two separate sales taxes on taxable sales within the Parish. The sales tax is collected by West Baton Rouge Parish Department of Revenue and remitted to the School Board in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by vendors.

In October 1965, the voters of the parish approved a permanent one percent sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated for salaries of teachers and for the general operations of the schools. Proceeds from this tax are included as revenue in the General Fund.

In May 1999, the voters of the parish approved an additional one percent sales and use tax. The net proceeds (after deduction for cost of collection) are dedicated as follows: 1) 45% to be used for teachers' and support staff salaries; 2) 55% to eliminate operating deficits of the General Fund by providing monies to pay the cost of operation and maintenance of the school system. Proceeds from this tax is included as revenues in the Educational Facilities Improvement District Special Revenue Fund.

L. Compensated Absences

Teachers and other school employees accrue from 10 to 13 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave beyond 25 days is used in the retirement benefit computation as earned service.

All 12-month employees earn from 10 to 20 days of annual vacation leave per year depending on length of service with the School Board.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Compensated Absences (continued)

In Governmental Fund types, sick and vacation leave that has been claimed by employees as of the end of the fiscal year is recorded as an expenditure in the year claimed. Sick leave accrued as of the end of the fiscal year is valued using employees' current rates of pay. Accrued sick leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire.

M. New Accounting Standards Adopted

During the year ended June 30, 2013, the School Board implemented GASB Statement No. 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The statement establishes a new statement of net position format that reports separately all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the residual amount of the other elements). The statement requires deferred outflows of resources and deferred inflows of resources to be reported separately from assets and liabilities. The financial reporting impact resulting from the implementation of GASB 63 in the School System's financial statement was the renaming of "Net Assets" to "Net Position", including changing the name of the financial statements from "Statement of Net Assets" to "Statement of Net Position."

N. Fund Equity of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below in accordance with Governmental Accounting Standards Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Nonspendable – Represents permanently nonspendable balances that are not expected to be converted to cash.

Spendable:

Restricted – Represents balances where constraints have been established by parties outside the School Board or by enabling legislation.

Committed – Represents balances where constraints have been established by formal action of the School Board. A simple majority vote in a public meeting is required to establish, modify, or rescind a fund balance commitment.

Assigned – Represents balances where informal constraints have been established by the School Board or committee or delegate thereof, but are not restricted nor committed.

Unassigned – Represents balances for which there are no constraints.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS

A. Equity in Pooled Cash

Cash and investments consist of demand deposit accounts and certificates of deposit at a local bank. The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "Cash." Negative book cash balances are included in "Due to Other Funds" on the combined balance sheet.

B. Deposits

The carrying amount of the School Board's deposits with financial institutions was \$21,711,415 and the bank balances were \$24,216,396. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution.

As of June 30, 2013, the School Board's deposits were not exposed to custodial credit risk. Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and political subdivisions.

C. Investments

Interest Rate Risk- The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments consist of certificates of deposit with original maturities of greater than 90 days.

4. AD VALOREM TAXES

Ad valorem (property) taxes were levied for the fiscal year 2013 by the School Board on July 15, 2012 based on the assessed valuation of property as of January 1, 2012. These taxes become due and payable on November 15 of each year and become delinquent after December 31 of the year levied.

Total assessed value was \$429,102,270 in calendar year 2012. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$40,448,503 of the assessed value in calendar year 2012.

The following are the School Board authorized and levied ad valorem taxes for 2012:

	<u>Levied Millage</u>
General Fund:	
Constitutional	4.39
Special - Salaries	12.00
Salaries	<u>15.00</u>
	<u>31.39</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

4. AD VALOREM TAXES (continued)

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General Fund and the Property Tax Fund on the basis explained in Note 2D. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

5. RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of one of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirements System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by a separate board of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

Plan Description. The TRS consists of three membership plans: Regular Plan, Plan A and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issued a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0%, 9.1%, and 5.0% of their annual covered salary for the Regular Plan, Plan A and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 24.5 percent of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirements Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. RETIREMENT SYSTEMS (continued)

The School Board's contributions to the TRS for the years ended June 30, 2013, 2012, and 2011 were \$5,732,446, \$4,976,704, and \$4,396,364, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy. Plan members with service dates prior to July 1, 2010 are required to contribute 7.5% of their annual covered salary. Plan members with service dates after July 1, 2010 are required to contribute 8.0% of their annual covered salary. The School Board is required to contribute at an actuarially determined rate. The current rate is 30.8% of covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSERS for the years ended June 30, 2013, 2012 and 2011 were \$239,818, \$238,677, and \$203,134, respectively, equal to the required contributions for each year.

6. OTHER POST-EMPLOYMENT BENEFITS

The School Board, in accordance with State statutes provides certain postretirement health care and life insurance benefits to its former employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching retirement age.

Plan Description. The School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and are made available to employees upon actual retirement.

The Louisiana Office of Group Benefits (OGB) involves several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at www.groupbenefits.org - "Quick Links" - "Health Plans". The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. The OGB "Medicare Advantage" plan has been assumed as an alternative to those employees after Medicare eligibility for purposes of this valuation. Based on prior experience, it has been assumed that 25% of retirees in the future elect the OGB Medicare Advantage plan. Medical benefits are provided to employees upon actual retirement from one of several systems, including the Teachers' Retirement System of Louisiana (TRSL), with similar retirement (D.R.O.P. entry) eligibility provisions. Since the School Board did not have system identity for each employee, the School Board has assumed that retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 10 years of service.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the "cost" of the retiree life insurance, but based on the blended rates. Since GASB 45 requires the use of "unblended" rates, we have used the 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy. Until fiscal year ending June 30, 2008, the School Board recognized the cost of providing post-employment medical and life benefits (the School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2008, the School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pension* (GASB 45), which requires the School Board to recognize as an expense, the cost of the benefits as they are earned over the term of employment rather than when they became due and payable. The amount at which the expense is recognized is based upon an actuarially determined amount known as the Annual Required Contribution (ARC). The funding policy is not to fund the ARC except to the extent the current year's retiree premiums.

In fiscal year ending June 30, 2013, the School Board's portion of health care and life insurance plan premiums for retired employees was \$1,434,009. These amounts were applied toward the Net OPEB Obligation.

Annual Required Contribution. The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2012 is \$2,416,159 for medical and life, as set forth below:

Normal Cost	\$ 783,715
30-year UAL amortization amount	<u>1,632,444</u>
Annual required contribution (ARC)	<u>\$ 2,416,159</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Net Post-employment Benefit Obligation. The table below shows the School Board's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending June 30, 2013:

Beginning Net OPEB Obligation	
7/1/2012	\$ 4,131,751
Annual required contribution	2,416,159
Interest on Net OPEB Obligation	165,270
ARC Adjustment	<u>(238,940)</u>
OPEB Cost	2,342,489
Contribution	-
Current year retiree premium (plan contributions)	<u>(1,426,670)</u>
Change in Net OPEB Obligation	<u>915,819</u>
Ending NET OPEB Obligation	
6/30/2013	<u>\$ 5,047,570</u>

The following table shows the School Board's annual post employment benefits (OPEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (OPEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation
Medical and Life	June 30, 2013	\$2,342,489	60.90%	\$5,047,570
Medical and Life	June 30, 2012	\$2,287,526	63.79%	\$4,131,751
Medical and Life	June 30, 2011	\$2,212,732	60.83%	\$3,303,327

Funded Status and Funding Progress. In the fiscal year ending June 30, 2013, the School Board made no contributions to its post employment benefit plans. The plan was not funded, has no assets, and hence has a funded ratio of zero. As of July 1, 2012, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$29,357,138 (medical and life), which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year ended June 30, 2013, the entire actuarial accrued liability was unfunded.

Actuarial Accrued Liability (AAL)	\$ 29,357,138
Actuarial Value of Plan Assets	<u>-</u>
Unfunded Act. Accrued Liability (UAAL)	<u>29,357,138</u>

Funded Ratio (Act. Val. Assets/AAL) 0%

Covered Payroll (active plan members)	\$ 25,679,631
UAAL as a percentage of covered payroll	114%

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Value of Plan Assets. Since the OPEB obligation has not been funded, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6), as provided in paragraph number 125 of GASB statement 45.

Turnover Rate. An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18-25	20.0%
26-40	12.0%
41-54	8.0%
55+	6.0%

Post employment Benefit Plan Eligibility Requirements. It is assumed that entitlement to benefits will commence three years after earliest eligibility to enter the D.R.O.P. This consists of the three year D.R.O.P. period. Medical benefits are provided by employees upon actual retirement. We have assumed that retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 10 years of service.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare and Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The "State Share" premiums in the OGB medical rate schedule provided are "unblended" rates for active and retired as required by GASB 45 and have been used for valuation purposes. It has been assumed that ultimately an average of 25% of future retirees will elect the OGB Medicare Advantage program and that 25% of current retirees not on Medicare Advantage already will do likewise in the future.

7. GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the years ended June 30, 2013:

	<u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2013</u>
Net Post-employment				
Benefit Obligations	\$ 4,131,751	\$2,342,489	\$ (1,426,670)	\$ 5,047,570
Claims payable	150,000	-	(50,000)	100,000
Compensated Absences	<u>655,840</u>	<u>51,919</u>	<u>(91,253)</u>	<u>616,506</u>
	<u>\$ 4,937,591</u>	<u>\$2,394,408</u>	<u>\$(1,567,923)</u>	<u>\$ 5,764,076</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. GENERAL LONG-TERM OBLIGATIONS (continued)

In accordance with LSA – R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property with the parish. At June 30, 2013, the statutory limit is \$136,028,818 and there was no outstanding bonded debt.

Compensated absences payable consist of the portion of accumulated sick leave of the governmental funds that is not expected to require current resources.

Net other post-employment benefit obligation consist of actuarial liabilities for future payments of promised retirement benefits.

8. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2013 is as follows:

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment and Fixtures</u>	<u>Construction in Progress</u>	<u>Total</u>
Cost at June 30, 2012,	\$ 4,261,780	\$ 2,953,401	\$ 21,213,486	\$ 1,794,529	\$ -	\$ 30,223,196
Additions	-	33,333	70,754	144,371	249,590	498,048
Deletions	-	(1,461,840)	-	(569,796)	-	(2,031,636)
Cost at June 30, 2013	<u>\$ 4,261,780</u>	<u>\$ 1,524,894</u>	<u>\$ 21,284,240</u>	<u>\$ 1,369,104</u>	<u>\$ 249,590</u>	<u>\$ 28,689,608</u>
Accumulated depreciation at June 30, 2012	\$ -	\$ 2,003,754	\$ 12,758,028	\$ 1,317,504	\$ -	\$ 16,079,286
Additions (* see below)	-	72,167	385,423	122,833	-	580,423
Deletions	-	(1,461,840)	-	(569,796)	-	(2,031,636)
Accumulated depreciation at June 30, 2013	<u>\$ -</u>	<u>\$ 614,081</u>	<u>\$ 13,143,451</u>	<u>\$ 870,541</u>	<u>\$ -</u>	<u>\$ 14,628,073</u>
Capital assets, net of depreciation at June 30, 2013	<u>\$ 4,261,780</u>	<u>\$ 910,813</u>	<u>\$ 8,140,789</u>	<u>\$ 498,563</u>	<u>\$ 249,590</u>	<u>\$ 14,061,535</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

8. CAPITAL ASSETS (continued)

* Depreciation expense of \$580,423 for the year ended June 30, 2013 was charged to the following governmental functions:

Regular education programs	\$ 41,090
Special education programs	17,108
Other education programs	17,646
Pupil support services	4,994
Instructional staff services	5,038
General administrative services	4,428
School administration services	7,630
Business and central services	1,509
Plant operation and maintenance	466,809
Student transportation services	7,440
Food services	6,731
	<u>\$ 580,423</u>

9. LITIGATION AND CLAIMS

The School Board is a defendant in various lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position. An accrual of \$100,000 has been made within the statement of net position to cover any potential exposure.

10. RECEIVABLES

Receivables as of June 30, 2013 for the School Board are as follows:

	<u>General Fund</u>	<u>EFID Sales Tax Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
Receivables:				
Sales taxes	\$ 510,706	\$ 484,446	\$ -	\$ 995,152
Due from other governments	-	-	2,043,958	2,043,958
Gross receivables	<u>\$ 510,706</u>	<u>\$ 484,446</u>	<u>\$ 2,043,958</u>	<u>\$ 3,039,110</u>

11. CHANGES IN AGENCY DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others for the year ended June 30, 2013 are as follows:

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
School Activity Agency Fund	<u>\$ 451,505</u>	<u>\$ 1,349,944</u>	<u>\$ (1,292,960)</u>	<u>\$ 508,489</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. INTERFUND TRANSACTIONS

Interfund Receivable/Payable:

<u>Interfund Receivable</u>		<u>Interfund Payable</u>	
General	\$ 1,559,699	General	\$ -
Property Tax	445	Property Tax	-
EFID Sales Tax	-	EFID Sales Tax	1,471
Other Governmental	268	Other Governmental	1,558,941
Total	<u>\$ 1,560,412</u>	Total	<u>\$ 1,560,412</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies.

Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 2,956,957	\$ 5,141
EFID Sales Tax	-	2,825,000
Other Governmental	5,141	131,957
	<u>\$ 2,962,098</u>	<u>\$ 2,962,098</u>

The purpose of interfund transfers is to cover operating expenditures of the general fund through indirect cost recoveries charged to grant programs and through transfers from the EFID Sales Tax Fund.

13. OPERATING LEASE

The School Board leases school buses through a lease arrangement which qualifies as an operating lease. The pricing for the agreement is based on the quantity of buses needed, special accessories needed on the bus, and frequency of use per day. The lease payments are to be made on a monthly basis. The lease is scheduled over a five year period ending July 31, 2015.

Management has estimated that the minimum future lease payments under non-cancellable lease agreements in effect at June 30, 2013, are as follows:

<u>Year ended June 30,</u>	<u>Total</u>
2014	\$ 2,000,000
2015	2,000,000
	<u>\$ 4,000,000</u>

Payments made during June 30, 2013 totaled approximately \$2,000,000 for the school bus lease arrangement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

14. COMMITMENTS

The School Board has entered into a maintenance agreement for air conditioning services. The payments in the amount of \$26,750 are scheduled in advance monthly over a 5 year period ending September 30, 2018.

Minimum future payments under the non-cancellable agreement in effect at the date of financial statements were available to be issued are as follows:

<u>Year ended June 30,</u>	<u>Total</u>
2014	\$ 240,750
2015	321,000
2016	321,000
2017	321,000
2018	321,000
2019	80,250
	<u>\$ 1,605,000</u>

Payments made during June 30, 2013 related to the maintenance agreement totaled approximately \$341,000.

At June 30, 2013, the School Board had construction commitments of approximately \$3,000,000. The construction commitments will be funded with the limited tax revenue bonds proceeds that will be received during the year ended June 30, 2014.

15. DEFICIT FUND BALANCES

Deficit fund balances exist in the funds listed below. If additional revenues are not obtained from grantors or other external sources, then the general fund will ultimately absorb these deficits:

Carl Perkins - Federal	\$ 35
Summer School	<u>9,171</u>
	<u>\$ 9,206</u>

16. CHARTER SCHOOLS

Charter schools are entitled to receive an apportionment of local tax revenue pertaining to the Office of Juvenile Justice and the Louisiana Virtual Career Academy. That amount, determined by the Louisiana Department of Education, is withheld from the School Board's MFP funding and remitted to the charter schools. An appropriation of \$113,989 has been recorded for the schools' apportionment of local taxes to the charter schools.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

17. SUBSEQUENT EVENT

In August 2013, the School Board received bond proceeds of \$3,400,000 from Limited Tax Revenue Bonds issued for the Brusly Elementary construction project.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 19, 2013, and determined that no additional events occurred that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

WEST BATON ROUGE PARISH SCHOOL BOARD

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the School Board which are not legally required or required by sound accounting practices to be accounted for in another fund.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources to be used for the renovation of major capital facilities.

PROPERTY TAX FUND

This fund accounts for the 10 year, 12 mills property tax. The purpose of this tax is to give additional support to the public elementary and secondary schools in the district by providing funds for improving and maintaining salaries and benefits of teachers and other public school personnel employed by the School Board.

EDUCATIONAL FACILITIES IMPROVEMENT DISTRICT FUND

The Educational Facilities Improvement District (EFID) Special Revenue Fund accounts for the collection of a 1 percent sales and use tax; 45% of which is dedicated to salaries and 55% of which is available for general operations.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Local sources:				
Taxes:				
Ad valorem	\$ 7,490,000	\$ 7,837,000	\$ 7,850,523	\$ 13,523
Sales and use	5,624,500	5,979,500	6,043,849	64,349
Earnings on investments	18,000	18,000	19,439	1,439
Other	330,500	674,010	779,746	105,736
State sources:				
Unrestricted grants-in-aid	13,660,068	13,926,979	13,906,738	(20,241)
Restricted grants-in-aid	33,500	66,796	32,998	(33,798)
Revenue sharing	119,375	122,747	119,560	(3,187)
Federal sources:				
Grants-in-aid - subgrants and other	-	22,970	22,970	-
Total revenues	<u>27,275,943</u>	<u>28,648,002</u>	<u>28,775,823</u>	<u>127,821</u>
Expenditures:				
Current:				
Instruction:				
Regular education programs	11,362,941	11,524,850	11,461,006	63,844
Special education programs	4,281,428	3,864,636	3,866,137	(1,501)
Other education programs	2,252,597	2,672,435	2,653,023	19,412
Support services:				
Pupil support services	1,189,632	1,742,980	1,734,792	8,188
Instructional staff services	1,171,027	1,469,067	1,506,189	(37,122)
General administration services	1,183,323	1,130,520	1,130,198	322
School administration services	2,389,871	2,356,949	2,357,582	(633)
Business administration services	334,592	305,778	274,608	31,170
Plant operation and maintenance	2,918,341	3,094,991	3,315,857	(220,866)
Transportation	2,251,421	2,352,229	2,323,644	28,585
Food services	103,494	109,593	119,199	(9,606)
Central services	332,064	455,557	454,766	791
Appropriations:				
Charter school	-	177,865	113,989	63,876
Total expenditures	<u>29,770,731</u>	<u>31,257,450</u>	<u>31,310,990</u>	<u>(53,540)</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(2,494,788)</u>	\$ <u>(2,609,448)</u>	\$ <u>(2,535,167)</u>	\$ <u>74,281</u> (continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Other financing sources (uses):</u>				
Proceeds from sale of assets	\$ -	\$ -	\$ -	\$ -
Operating transfers in	2,701,106	2,946,895	2,956,957	10,062
Operating transfers out	<u>(155,279)</u>	<u>(5,000)</u>	<u>(5,141)</u>	<u>(141)</u>
Total other financing sources (uses)	<u>2,545,827</u>	<u>2,941,895</u>	<u>2,951,816</u>	<u>9,921</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>51,039</u>	<u>332,447</u>	<u>416,649</u>	<u>84,202</u>
Fund balances, June 30, 2012	<u>5,709,573</u>	<u>5,132,462</u>	<u>5,132,462</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 5,760,612</u>	<u>\$ 5,464,909</u>	<u>\$ 5,549,111</u>	<u>\$ 84,202</u> (concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Earnings on investments	\$ 135,000	\$ 155,000	\$ 157,860	\$ 2,860
Other	205,400	200,000	201,360	1,360
Total revenues	<u>340,400</u>	<u>355,000</u>	<u>359,220</u>	<u>4,220</u>
<u>Expenditures:</u>				
Instruction:				
Other educational programs	85,000	75,000	-	75,000
Support services:				
Business and central services	50,000	35,000	-	35,000
Plant operation and maintenance	-	150,000	117,828	32,172
Total expenditures	<u>135,000</u>	<u>260,000</u>	<u>117,828</u>	<u>142,172</u>
Excess (deficiency) of revenues over expenditures	205,400	95,000	241,392	146,392
Fund balances, June 30, 2012	<u>7,058,423</u>	<u>7,058,273</u>	<u>7,058,273</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 7,263,823</u>	<u>\$ 7,153,273</u>	<u>\$ 7,299,665</u>	<u>\$ 146,392</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

PROPERTY TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 4,425,000	\$ 4,600,000	\$ 4,652,981	\$ 52,981
Total revenues	<u>4,425,000</u>	<u>4,600,000</u>	<u>4,652,981</u>	<u>52,981</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	2,203,550	1,763,201	1,733,307	29,894
Special education programs	575,958	686,855	683,215	3,640
Other education programs	342,746	651,164	664,804	(13,640)
Support services:				
Pupil support services	150,211	233,134	227,311	5,823
Instructional staff services	133,518	146,764	150,914	(4,150)
General administration services	153,488	166,726	166,233	493
School administration services	166,540	215,281	215,593	(312)
Business administration services	24,243	24,989	24,941	48
Plant operation and maintenance	101,679	97,715	100,125	(2,410)
Transportation	42,232	42,014	41,953	61
Food services	105,585	117,895	111,839	6,056
Central services	3,478	3,418	3,415	3
Total expenditures	<u>4,203,228</u>	<u>4,149,156</u>	<u>4,123,650</u>	<u>25,506</u>
Excess (deficiency) of revenues over expenditures	<u>221,772</u>	<u>450,844</u>	<u>529,331</u>	<u>78,487</u>
Fund balances, June 30, 2012	<u>2,581,729</u>	<u>2,581,729</u>	<u>2,581,729</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 2,803,501</u>	<u>\$ 3,032,573</u>	<u>\$ 3,111,060</u>	<u>\$ 78,487</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

EFID SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Sales and use	\$ 5,500,500	\$ 5,850,500	\$ 5,912,939	\$ 62,439
Total revenues	<u>5,500,500</u>	<u>5,850,500</u>	<u>5,912,939</u>	<u>62,439</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	1,252,015	1,324,679	1,314,776	9,903
Special education programs	613,318	544,265	538,018	6,247
Other education programs	214,886	275,721	272,568	3,153
Support services:				
Pupil support services	90,279	145,979	145,684	295
Instructional staff services	74,098	88,569	93,258	(4,689)
General administration services	113,322	114,022	114,346	(324)
School administration services	63,524	64,403	64,258	145
Business administration services	29,154	33,621	33,556	65
Plant operation and maintenance	166,326	155,350	153,875	1,475
Transportation	49,914	51,506	51,372	134
Food services	132,014	123,492	120,706	2,786
Central services	4,768	5,789	5,790	(1)
Total expenditures	<u>2,803,618</u>	<u>2,927,396</u>	<u>2,908,207</u>	<u>19,189</u>
Excess (deficiency) of revenues over expenditures	<u>2,696,882</u>	<u>2,923,104</u>	<u>3,004,732</u>	<u>81,628</u>
<u>Other financing sources (uses):</u>				
Operating transfers out	<u>(2,575,000)</u>	<u>(2,825,000)</u>	<u>(2,825,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,575,000)</u>	<u>(2,825,000)</u>	<u>(2,825,000)</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>121,882</u>	<u>98,104</u>	<u>179,732</u>	<u>81,628</u>
Fund balances, June 30, 2012	<u>2,724,698</u>	<u>2,724,698</u>	<u>2,724,698</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2013	<u>\$ 2,846,580</u>	<u>\$ 2,822,802</u>	<u>\$ 2,904,430</u>	<u>\$ 81,628</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

OTHER POST EMPLOYMENT BENEFITS PLAN
RETIREE HEALTH, DENTAL, AND LIFE INSURANCE PROGRAMS
YEAR ENDED JUNE 30, 2013

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	(a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	\$	-	\$ 29,357,138	\$ 29,357,138	0.00%	\$ 25,679,631	114%
7/1/2011		-	27,910,258	27,910,258	0.00%	23,299,002	120%
7/1/2010		-	26,836,787	26,836,787	0.00%	24,087,699	111%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Costs Contributed	Increase (Decrease) to Net OPEB Obligation	Net OPEB Obligation
6/30/2013	\$ 2,342,489	\$ 1,426,670	60.90%	\$ 915,819	\$ 5,047,570
6/30/2012	2,287,526	1,459,102	63.79%	828,424	4,131,751
6/30/2011	2,212,732	1,346,064	60.83%	866,668	3,303,327

WEST BATON ROUGE PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

TITLE I FUNDS

The Title I fund accounts for the Title I grants. This is a program for economically and educationally deprived children which are federally financed, state-administered, and locally operated by the School Board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

TITLE II FUNDS

This fund accounts for the federal grants which combine the Eisenhower Professional Development State Grants and Class-Size Reduction programs into one program that focuses on preparing, training, and recruiting high-quality teachers.

SPECIAL EDUCATION FUNDS

Public Law 101-476 is a federally financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

Public Law 89-313 is a federally financed program providing "per child" funding that follows the child as he leaves his facility and enters public schools or day developmental training programs.

SCHOOL LUNCH

This fund includes lunch and breakfast operations and accounts for the financial activities of the food service program in the school system during the regular school term. The basic goals of this program are to serve nutritionally, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

HEAD START

The objectives of the Head Start Program are to provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children so that the children will attain overall social competence. Parents also participate in various decision-making processes related to the operation of the program.

LA4 CDBG

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be "at risk" of achieving later academic success. The LA4 CDBG provides six hours per day of educational experiences and four hours of before and after school enrichment activities.

STRIVING READERS

The purpose of this program is to improve the school readiness and success for disadvantaged youth, birth through grade 12, by advancing their literacy skills; to establish a comprehensive approach to literacy development based on Louisiana's Comprehensive Literacy Plan; and to address established LDOE priorities related to common core implementation, birth to 5 systems, and teacher effectiveness.

WEST BATON ROUGE PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) FUNDS

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be "at risk" of achieving later academic success.

TEACHER INCENTIVE FUND

The objective of this program is to support efforts to develop and implement performance-based teacher and principal compensation systems in high-need schools.

DEBT SERVICE FUND

This fund accumulates funds for the payment of the 1999 refunding general obligation school improvement bonds.

TECHNOLOGY FUND

This fund was established by the School Board to improve the use and maintenance of technology throughout the school district.

OTHER FUNDS

Other funds consist primarily of certain smaller programs funded through state grants and federal grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives. Also, included in other funds are funds containing contributions from the general public for specific education programs within the school district.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Title I	Title II	Special Education	School Lunch
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 430,284
Receivables	344,485	145,239	278,568	37,928
Investments in certificates of deposit	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	28,380
TOTAL ASSETS	\$ 344,485	\$ 145,239	\$ 278,568	\$ 496,592
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,739
Salaries and benefits payable	103,043	26,016	61,744	114,066
Due to other funds	241,331	119,223	216,150	-
Unearned revenues	111	-	674	-
TOTAL LIABILITIES	344,485	145,239	278,568	119,805
Fund balances:				
Nonspendable	-	-	-	28,380
Spendable:				
Restricted	-	-	-	348,407
Committed	-	-	-	-
TOTAL FUND BALANCES	-	-	-	376,787
TOTAL LIABILITIES AND FUND BALANCES	\$ 344,485	\$ 145,239	\$ 278,568	\$ 496,592

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Head Start	LA4 CDBG	Striving Readers	TANF
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 24,223
Receivables	235,617	470,411	263,500	18,193
Investments in certificates of deposit	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 235,617	\$ 470,411	\$ 263,500	\$ 42,416
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	83,371	140,113	55,024	-
Due to other funds	152,246	330,298	208,476	42,416
Unearned revenues	-	-	-	-
TOTAL LIABILITIES	235,617	470,411	263,500	42,416
Fund balances:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	-	-	-
Committed	-	-	-	-
TOTAL FUND BALANCES	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 235,617	\$ 470,411	\$ 263,500	\$ 42,416

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Teacher Incentive	Debt Service	Technology	Other Funds	Total
<u>ASSETS</u>					
Cash and cash equivalents	\$ -	\$ 251,992	\$ 75,763	\$ 50,026	\$ 832,288
Receivables	195,336	-	-	54,681	2,043,958
Investments in certificates of deposit	-	-	-	100,405	100,405
Due from other funds	-	-	-	268	268
Inventory	-	-	-	-	28,380
TOTAL ASSETS	\$ 195,336	\$ 251,992	\$ 75,763	\$ 205,380	\$ 3,005,299
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,739
Salaries and benefits payable	-	-	-	23,731	607,108
Due to other funds	195,336	-	-	53,465	1,558,941
Unearned revenues	-	-	-	-	785
TOTAL LIABILITIES	195,336	-	-	77,196	2,172,573
Fund balances:					
Nonspendable	-	-	-	-	28,380
Spendable:					
Restricted	-	251,992	-	-	600,399
Committed	-	-	75,763	128,184	203,947
TOTAL FUND BALANCES	-	251,992	75,763	128,184	832,726
TOTAL LIABILITIES AND FUND BALANCES	\$ 195,336	\$ 251,992	\$ 75,763	\$ 205,380	\$ 3,005,299

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2013

	Title I	Title II	Special Education	School Lunch
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Food Services - paid meals	-	-	-	298,504
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid, MFP	-	-	-	31,126
Restricted grants-in-aid	-	-	12,854	-
Federal grants	951,562	233,400	795,797	1,779,597
TOTAL REVENUES	951,562	233,400	808,651	2,109,227
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	153,028	-	-
Special education programs	-	-	304,888	-
Other education programs	782,533	72,278	-	-
Support:				
Pupil support services	-	-	270,049	-
Instructional staff services	132,431	396	205,996	-
General administration services	-	-	-	-
Student transportation	-	-	-	-
Food services	-	-	-	1,959,476
Facility Acquisition and Construction	-	-	-	-
TOTAL EXPENDITURES	914,964	225,702	780,933	1,959,476
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	36,598	7,698	27,718	149,751
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	1,345	-
Transfers out	(36,598)	(7,698)	(29,063)	-
TOTAL OTHER FINANCING SOURCES (USES)	(36,598)	(7,698)	(27,718)	-
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>	-	-	-	149,751
Fund balances, June 30, 2012	-	-	-	227,036
FUND BALANCES, JUNE 30, 2013	\$ -	\$ -	\$ -	\$ 376,787

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2013

	Head Start	LA4 CDBG	Striving Readers Literacy Comp	TANF
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Food Services - paid meals	-	-	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid, MFP	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Federal grants	840,171	610,698	1,217,160	370,403
TOTAL REVENUES	840,171	610,698	1,217,160	370,403
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	-	706,791	78,023
Special education programs	-	-	-	-
Other education programs	590,009	610,698	405,025	229,735
Support:				
Pupil support services	-	-	-	-
Instructional staff services	68,645	-	57,860	51,531
General administration services	-	-	-	-
Student transportation	181,517	-	-	-
Food services	-	-	-	-
Facility Acquisition and Construction	-	-	-	-
TOTAL EXPENDITURES	840,171	610,698	1,169,676	359,289
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	47,484	11,114
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	(47,484)	(11,114)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(47,484)	(11,114)
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>				
	-	-	-	-
Fund balances, June 30, 2012	-	-	-	-
FUND BALANCES, JUNE 30, 2013	\$ -	\$ -	\$ -	\$ -

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2013

	Teacher Incentive	Debt Service	Technology	Other Funds	Total
<u>REVENUES</u>					
Local sources:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	321	-	-	321
Food Services - paid meals	-	-	-	-	298,504
Other	-	-	-	61,665	61,665
State sources:					
Unrestricted grants-in-aid, MFP	-	-	-	-	31,126
Restricted grants-in-aid	-	-	-	242,130	254,984
Federal grants	344,642	-	-	54,308	7,197,738
TOTAL REVENUES	344,642	321	-	358,103	7,844,338
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	355	-	72,648	34,082	1,044,927
Special education programs	-	-	-	-	304,888
Other education programs	190,480	-	-	323,290	3,204,048
Support:					
Pupil support services	-	-	-	-	270,049
Instructional staff services	153,807	-	-	15,530	686,196
General administration services	-	-	-	-	-
Student transportation	-	-	-	-	181,517
Food services	-	-	-	-	1,959,476
Facility Acquisition and Construction	-	178,730	-	-	178,730
TOTAL EXPENDITURES	344,642	178,730	72,648	372,902	7,829,831
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(178,409)	(72,648)	(14,799)	14,507
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	-	-	-	3,796	5,141
Transfers out	-	-	-	-	(131,957)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	3,796	(126,816)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	-	(178,409)	(72,648)	(11,003)	(112,309)
Fund balances, June 30, 2012	-	430,401	148,411	139,187	945,035
FUND BALANCES, JUNE 30, 2013	\$ -	\$ 251,992	\$ 75,763	\$ 128,184	\$ 832,726

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2013

Teri Bergeron	\$ 9,600
George A. Chustz, Jr.	9,600
Leon Goudeau	9,600
Ronald P. LeBlanc	9,600
Jason Manola	9,600
Michael Maranto	9,600
Thelma L. Pattan	9,600
Craig Sarradet	9,600
Toby Sarradet	9,600
Dr. Atley D. Walker, Sr.	<u>9,600</u>
	<u>\$ 96,000</u>

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Members of the West Baton Rouge
Parish School Board
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish School Board (the School Board), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated November 19, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we do not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite + Nettewill

Baton Rouge, Louisiana
November 19, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

The Members of the West Baton Rouge
Parish School Board
Port Allen, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the West Baton Rouge Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2013. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulation, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Postlethwait & Mathewill

Baton Rouge, Louisiana
November 19, 2013

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>Grant Year</u>	<u>Grantor Project Number</u>	<u>CFDA Number</u>	<u>Expenditures 2013</u>
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>				
Pass-through program from Louisiana Department of Agriculture and Forestry:				
Food Distribution - Commodities	12-13	N/A	10.555 ¹	\$ 137,063
Pass-through program from Louisiana Department of Education:				
School Lunch Program	12-13	05-SFS084	10.555 ¹	1,161,756
School Breakfast Program	12-13	05-SFS084	10.553 ¹	428,201
Summer Feeding	12-13	05-SFS084	10.559 ¹	52,577
				<u>1,779,597</u>
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Pass-through program from Louisiana Department of Education				
The Cecil J. Picard LA 4 Early Childhood Program - CDBG	12-13	28-13-38-61	14.228	<u>610,698</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies-Part A Basic	12-13	28-13-T1-61	84.010A	951,562
Special Education Regular Project-Part B	12-13	28-13-B1-61	84.027A ²	756,947
Special Education Preschool	12-13	28-13-P1-61	84.173A ²	16,850
Special Education - State Personnel Development Grant	12-13	28-12-P3-61	84.323A ²	22,000
Vocational Education - Carl Perkins	12-13	28-13-02-61	84.048A	54,308
Title II Regular Project	12-13	28-13-50-61	84.367A	233,400
Louisiana Teachers' Incentive Fund	12-13	28-11-TD-61	84.374A	344,642
Striving Readers Comprehensive Literacy Program	12-13	28-12-SN-61	84.371C	1,217,160
				<u>3,596,869</u>
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-through program from Louisiana Department of Education:				
Jobs for America's Graduates - LA	12-13	28-13-JS-61	93.558	81,429
The Cecil J. Picard LA 4 Early Childhood Program - TANF	12-13	28-13-36-61	93.558	288,974
Direct grant:				
Administration for Children, Youth, and Families - Head Start	11-12	06SE705202	93.600	441,683
Administration for Children, Youth, and Families - Head Start	12-13	06SE705203	93.600	398,488
				<u>1,210,574</u>
<u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-through the State of Louisiana Office of Emergency Preparedness:				
FEMA - Public Assistance Grants	12-13	N/A	97.036	<u>22,970</u>
 Total Expenditures of Federal Awards				 <u>\$ 7,220,708</u>

¹ Child Nutrition Cluster

² Special Education Cluster

See the accompanying notes to the schedule of expenditures of federal awards.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Baton Rouge Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2013, the School Board received commodities valued at \$137,063. At June 30, 2013, the organization had food commodities totaling \$28,380 in inventory.

NOTE C – RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

Reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the Financial Statements

Total Federal Revenues	\$ 7,220,708
	<hr/>
Total Federal Expenditures - SEFA	<u>\$ 7,220,708</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013

A. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal Control over Financial Reporting:

- Material weakness (es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted?

_____ yes x no

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

_____ yes x no

Identification of major programs:

CFDA Numbers

10.553, 10.555, 10.559
14.228
84.371C
84.374A

Name of Federal Program or Cluster

Child Nutrition Cluster
LA 4 - Community Development Block Grants (CDBG)
Striving Readers Comprehensive Literacy Program
Teacher Incentive Fund

The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.

The West Baton Rouge Parish School Board was determined to be a low-risk auditee.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013

B. Findings – Financial Statement Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs

None

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

B. Findings – Financial Statement Audit

2012-1

Budget Law Violation

- Condition:** The actual expenditures of the EFID Sales Tax Fund exceeded budget amounts by 17%.
- Criteria:** LSA - RS 39.1310 requires governments to amend special revenue budgets when actual expenditures plus expected expenditures exceed budgeted amounts by 5% or more.
- Effect:** The School Board is out of compliance with the statute referenced to above.
- Cause:** The School Board did not properly monitor the EFID Sales Tax Fund budget during the year.
- Recommendation:** The Superintendent, Supervisor of Business Services, and the School Board should monitor the budget closely throughout the year and prepare and approve amendments to the budget as required by statute.

View of Responsible Official and Planned Corrective Action:

The School Board will prepare and pre-audit all proposed budgets and approve budget amendments to ensure that accurate reporting of funds indicated as prescribed by law.

- Current Status:** *The Supervisor of Business Services audited the budgets during the year and the School Board proposed and approved budget amendments when needed. This finding is considered resolved.*

C. Findings and Questioned Costs – Major Federal Award Programs

None

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
West Baton Rouge Parish School Board

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of West Baton Rouge Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of West Baton Rouge Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

Procedure #1:

We selected a random sample of 25 and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of Procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or recorded at the incorrect amount.

Education Levels of Public School Staff (Schedule 2)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to School Board supporting payroll records as of October 1st.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Results of Procedure # 3

No differences were noted between the number of principals and assistant principals per schedule 4 and schedule 2.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule 3)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels listed on the Louisiana Public Schools report on the Louisiana Department of Education website.

Results of Procedure # 5:

We noted no discrepancies between the total number of schools as listed on the Louisiana Public Schools report on the Louisiana Department of Education website and the list supporting the schools represented in the schedule.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file to determine if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, we noted no discrepancies existed between the aforementioned listing and the schedule.

Public School Staff Data (Schedule 5)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, as well as full-time equivalency as reported on the schedule and traced a random sample of 25 teachers to the individuals' personnel file to determine if the individuals' salary, extra compensation, and full-time equivalency were properly included on the schedule. The School Board reported no ROTC or rehired retiree's.

Results of Procedure # 7:

In our sample of 25, we noted reasonableness between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the aforementioned listing. Note that reasonableness is considered because the actual pay that was used in the computation of the average and the annual salary the salary schedule may be different due to docs in pay or other factors.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of Procedure # 8:

We noted no differences between the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule 6)**Procedure # 9**

We obtained a "class size data report" which was obtained from the same data source for which schedule 6 was prepared. From this "class size data report", we selected a random sample of 10 classes and traced those classes to the October 1st roll books and determined if the class was properly classified on the schedule.

Results of Procedure # 9

In our sample of 10 classes, P&N noted 8 out of 10 classes with discrepancies as follows:

<u>Class Size Test Items</u>	<u>No. of Students per Schedule 6</u>	<u>No. of Students per Roll Book</u>
1	4	5
2	7	10
3	16	14
5	14	10
6	19	23
7	37	35
9	13	11
10	23	24

Of the above noted discrepancies, only test item 6 would have resulted in a category change on Schedule 6.

Management's response to the discrepancies and corrective action:

The School Board will continue to work with the computer service that keeps the data to coordinate consistency among the roll books kept by teachers and the reported data.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)**Procedure # 10**

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the West Baton Rouge Parish School Board.

Results of Procedure # 10:

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule 8)**Procedure # 11**

Information is not applicable for 2013, and is shown for historical purposes.

The iLEAP Tests (Schedule 9)

Procedure # 12

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the West Baton Rouge Parish School Board.

Results of Procedure # 12

No differences were noted.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on management's assertions regarding the accompanying performance and statistical data. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of West Baton Rouge Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Podthwait & Mettwill

Baton Rouge, Louisiana

November 19, 2013

WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)

As of and for the Year Ended June 30, 2013

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. The GEE has been discontinued and therefore no new additional scores will be available.

Schedule 9 - The i-LEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
PERFORMANCE AND STATISTICAL DATA

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2013**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	10,320,615	
Other Instructional Staff Activities		1,276,592	
Instructional Staff Employee Benefits		5,879,514	
Purchased Professional and Technical Services		81,851	
Instructional Materials and Supplies		413,544	
Instructional Equipment		8,050	
Total Teacher and Student Interaction Activities			\$ 17,980,166

Other Instructional Activities

Pupil Support Activities		1,734,972	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities			1,734,972

Instructional Staff Services		1,506,189	
Less: Equipment for Instructional Staff Services		-	
Net Instructional Staff Services			1,506,189

School Administration		2,357,582	
Less: Equipment for Instructional Staff Services		-	
Net School Administration			2,357,582

Total General Fund Instructional Expenditures \$ 23,578,909

Total General Fund Equipment Expenditures \$ 8,050

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$	1,702,216	
Renewable Ad Valorem Tax		5,816,227	
Debt Service Ad Valorem Tax		-	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		332,080	
Sales and Use Taxes		6,043,849	
Total Local Taxation Revenue			\$ 13,894,372

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$	49,901	
Revenue Sharing - Other Taxes		69,659	
Revenue Sharing - Excess Portion		-	
Other Revenue in Lieu of Taxes		-	
Total State Revenue in Lieu of Taxes			\$ 119,560

Nonpublic Textbook Revenue \$ 10,017

Nonpublic Transportation Revenue -

Total State Revenue for Non-public Education \$ 10,017

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 2

**Education Levels of Public School Staff
As of October 1, 2012**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0%	-	0%	-	0%	-	0%
Bachelor's Degree	185	74%	3	100%	-	0%	-	0%
Master's Degree	53	22%	-	0%	16	80%	-	0%
Master's Degree + 30	9	4%	-	0%	2	10%	-	0%
Specialist in Education	1	0%	-	0%	-	0%	-	0%
Ph. D. or Ed. D.	1	0%	-	0%	2	10%	-	0%
Total	249	100%	3	100%	20	100%	-	0%

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 3

**Number and Type of Public Schools
For the Year Ended June 30, 2013**

Type	Number
Elementary	5
Middle/Jr. High	3
Secondary	2
Combination	0
Total	10

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 4

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2012**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	3	2	2	1	2	10
Principals	0	0	1	1	2	4	2	10
Classroom Teachers	12	23	105	37	29	19	24	249
Total	12	23	109	40	33	24	28	269

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

**Schedule 5
Public School Staff Data
For the Year Ended June 30, 2013**

	2013 Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$ 48,993	\$ 48,993
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 47,594	\$ 47,594
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	249	249

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 6

**Class Size Characteristics
As of October 1, 2013**

School Type	Class Size Range							
	1 - 20		21 - 25		27 - 33		34+	
	Percent	Number		Number	Percent	Number	Percent	Number
Elementary	62%	278	36%	159	1%	5	1%	3
Elementary Activity Classes	41%	25	56%	34	3%	2	0%	-
Middle/Jr. High	63%	203	26%	85	11%	35	0%	-
Middle/Jr. High Activity Classes	100%	87	0%	-	0%	-	0%	-
High	62%	253	28%	113	10%	42	0%	-
High Activity Classes	94%	173	3%	5	3%	5	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

Schedule 7
1 of 2

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	18	6%	5	2%	11	4%	24	8%	14	5%	11	4%
Mastery	63	23%	52	19%	59	19%	68	15%	43	16%	64	22%
Basic	137	51%	151	55%	150	51%	98	45%	128	46%	135	45%
Approaching Basic	41	15%	48	17%	59	20%	47	22%	83	23%	63	21%
Unsatisfactory	14	5%	21	7%	18	6%	38	10%	28	10%	24	8%
Total	271	100%	277	100%	297	100%	271	100%	277	100%	297	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	9	3%	9	3%	4	1%	3	1%	2	1%	3	1%
Mastery	44	17%	42	15%	32	11%	33	12%	32	12%	31	10%
Basic	128	48%	133	49%	134	45%	144	52%	164	60%	171	58%
Approaching Basic	63	24%	73	27%	107	36%	65	23%	48	18%	83	21%
Unsatisfactory	22	8%	17	6%	20	7%	34	12%	28	9%	28	10%
Total	268	100%	274	100%	297	100%	279	100%	274	100%	297	100%

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

**Schedule 7
2 of 2**

**Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2013**

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	14	5%	15	5%	18	7%	8	3%	15	5%	8	3%
Mastery	49	17%	60	20%	40	17%	22	8%	10	3%	9	4%
Basic	149	52%	150	51%	117	49%	177	61%	172	59%	128	53%
Approaching Basic	63	22%	54	18%	60	25%	43	15%	66	23%	62	26%
Unsatisfactory	13	4%	14	6%	7	2%	38	13%	30	10%	34	14%
Total	288	100%	293	100%	240	100%	288	100%	283	100%	239	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	16	8%	9	3%	4	2%	5	2%	7	2%	5	2%
Mastery	47	17%	78	27%	55	23%	46	16%	55	20%	33	14%
Basic	135	48%	118	41%	103	44%	156	55%	166	57%	133	56%
Approaching Basic	69	24%	71	24%	52	22%	58	20%	55	19%	52	22%
Unsatisfactory	18	5%	14	5%	21	9%	20	7%	7	2%	13	6%
Total	283	100%	290	100%	238	100%	286	100%	290	100%	238	100%

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

Schedule 8

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced					0	0%					19	9%
Mastery					28	13%					40	18%
Basic					119	53%					117	52%
Approaching Basic					58	25%					23	10%
Unsatisfactory					20	9%					24	11%
Total					223	100%					223	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced			14	7%	10	5%			6	3%	5	3%
Mastery			41	20%	38	19%			23	11%	15	8%
Basic			88	43%	78	42%			112	55%	98	52%
Approaching Basic			41	20%	39	21%			40	20%	42	22%
Unsatisfactory			20	10%	24	13%			23	11%	27	15%
Total			204	100%	187	100%			204	100%	187	100%

WEST BATON ROUGE PARISH SCHOOL BOARD
FORT ALLEN, LOUISIANA

Schedule 9
1 of 3

The ILEAP Tests
For the Year Ended June 30, 2013

ILEAP Scores

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	17	6%	23	9%	9	3%	5	2%
Mastery	49	17%	69	24%	42	15%	40	14%
Basic	133	46%	119	41%	132	46%	128	44%
Approaching Basic	62	21%	50	17%	77	27%	75	26%
Unsatisfactory	29	10%	29	10%	30	10%	42	15%
Total	290	100%	290	100%	290	100%	290	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	4	2%	6	3%	3	1%	7	3%
Mastery	38	16%	34	15%	28	12%	20	9%
Basic	121	52%	125	54%	121	52%	118	50%
Approaching Basic	41	18%	42	18%	65	28%	54	23%
Unsatisfactory	28	12%	25	11%	15	7%	35	15%
Total	232	100%	232	100%	232	100%	232	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	10	4%	5	2%	8	3%	27	10%
Mastery	35	13%	26	10%	56	21%	39	15%
Basic	138	52%	150	57%	116	44%	131	49%
Approaching Basic	57	22%	62	23%	73	28%	48	18%
Unsatisfactory	25	9%	22	8%	12	5%	20	8%
Total	265	100%	265	100%	265	100%	265	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	13	5%	8	2%	8	3%	7	3%
Mastery	35	14%	29	11%	49	19%	57	22%
Basic	144	56%	144	56%	121	48%	136	53%
Approaching Basic	56	22%	50	20%	62	24%	41	16%
Unsatisfactory	9	4%	27	11%	15	6%	14	6%
Total	256	100%	256	100%	256	100%	255	100%

The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

Schedule 9
2 of 3

The ILEAP Tests
For the Year Ended June 30, 2012

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	6	2%	42	16%	8	3%	0	0%
Mastery	64	25%	60	23%	68	26%	58	22%
Basic	123	47%	92	35%	95	36%	112	43%
Approaching Basic	48	18%	39	15%	75	29%	55	21%
Unsatisfactory	21	8%	29	11%	16	6%	37	14%
Total	262	100%	262	100%	262	100%	262	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advanced	9	4%	14	6%	5	2%	3	1%
Mastery	42	17%	36	14%	27	11%	34	14%
Basic	110	44%	105	42%	114	46%	124	50%
Approaching Basic	56	22%	54	22%	76	30%	57	23%
Unsatisfactory	33	13%	41	16%	28	11%	32	12%
Total	250	100%	250	100%	250	100%	250	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	10	3%	9	3%	3	1%	19	6%
Mastery	37	10%	35	12%	39	13%	40	14%
Basic	147	56%	149	51%	162	56%	164	57%
Approaching Basic	77	22%	49	17%	67	23%	46	16%
Unsatisfactory	19	6%	48	17%	19	7%	21	7%
Total	290	100%	290	100%	290	100%	290	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	11	4%	11	4%	8	3%	18	6%
Mastery	50	18%	28	10%	64	22%	57	20%
Basic	148	52%	149	52%	129	45%	160	56%
Approaching Basic	58	20%	62	22%	63	22%	34	12%
Unsatisfactory	18	6%	35	12%	21	8%	16	6%
Total	285	100%	285	100%	286	100%	285	100%

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

Schedule 9
3 of 3

The iLEAP Tests
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	5	2%	18	7%	4	2%	0	0%
Mastery	30	12%	41	16%	38	14%	33	13%
Basic	119	48%	117	47%	117	47%	134	54%
Approaching Basic	67	27%	49	20%	68	27%	48	19%
Unsatisfactory	28	11%	24	10%	24	10%	34	14%
Total	249	100%	249	100%	249	100%	249	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	11	4%	19	8%	9	3%	2	1%
Mastery	35	14%	24	9%	35	14%	28	11%
Basic	116	45%	119	46%	110	43%	123	47%
Approaching Basic	64	25%	42	16%	77	30%	65	23%
Unsatisfactory	32	12%	54	21%	27	10%	40	16%
Total	258	100%	258	100%	258	100%	258	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	8	3%	14	5%	10	4%	25	9%
Mastery	26	10%	30	11%	40	15%	48	18%
Basic	158	59%	134	50%	140	52%	140	52%
Approaching Basic	59	22%	46	17%	63	23%	34	13%
Unsatisfactory	17	6%	44	17%	15	6%	21	8%
Total	268	100%	268	100%	268	100%	268	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	11	4%	11	4%	4	1%	13	4%
Mastery	49	17%	30	10%	33	11%	60	20%
Basic	157	53%	147	50%	177	60%	141	48%
Approaching Basic	60	20%	75	25%	59	20%	53	18%
Unsatisfactory	19	6%	33	11%	23	8%	29	10%
Total	296	100%	296	100%	296	100%	296	100%

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2013

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2013

November 19, 2013

Members of the Board and Management
West Baton Rouge Parish School Board
New Roads, Louisiana

In planning and performing our audit of the financial statements of the West Baton Rouge Parish School Board (School Board) for the year ended June 30, 2013, we considered the School Board's internal controls and compliance with laws and regulations having a material effect on financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure or on compliance.

However, during our audit, we became aware of the following matters that are opportunities for improving financial reporting, refining policies and procedures and enhancing compliance with laws and regulations. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated November 19, 2013 on the financial statements of the School Board.

A. School Activity Accounts

- Criteria:** LSA RS 17:414.3 establishes the accounting rules and fiscal procedures for school activity accounts as well as the responsibility and authority for centralized oversight. One bank account is to be used for deposit and disbursement of all groups funding and an accounting of each group's receipts, disbursements and balances to be made. Each group's expenditures are to be made only with available funds of that group or activity. The Superintendent of the District or his designee is to review all accounts annually.
- Condition:** School activity accounts are reconciled at the school and the reconciliations are reviewed at the Central Office. However, the Central Office does not perform any internal audit function on the school activity accounts to determine if the schools are adhering to School Board policies.
- Cause:** The School Board has not provided adequate oversight over the School activity accounts.
- Effect:** The School Board is not providing the proper oversight of the school activity accounts. The lack of adequate oversight provides the opportunity for the misappropriation of cash and the funds designated for a particular club to be expended by another group.
- Recommendation:** With regard to its oversight of the accounts, the School Board should enhance its oversight of these accounts through on-site audits, including transactional testing and detailed review of club\group account balances.

A. School Activity Accounts (continued)

View of Responsible Official and Planned Corrective Action:

The School Board plans to hire an outside CPA firm to provide on-site audits of the school activity accounts during the 2013-2014 school year.

B. Records of Property, Plant and Equipment

Criteria: The School Board should conduct a physical inventory of property and equipment on an ongoing basis as a best practice.

Condition: The School Board does maintain adequate records of property and equipment; however a physical inventory has not been conducted.

Cause: The School Board has not conducted a physical inventory as prescribed by its policies and procedures.

Effect: The property and equipment records may be incomplete and inaccurate. Additionally, unauthorized use of the property may not be detected.

Recommendation: In order to ensure accurate financial reporting as well as to detect potential unauthorized use of School Board property, comprehensive physical inventories should be conducted at least bi-annually. The centralized property and equipment records should be updated to reflect the results of the inventory. Additions to the records should be periodically reconciled to equipment expenditure accounts to ensure agreement.

View of Responsible Official and Planned Corrective Action:

The School Board Administration will implement a bi-annual audit plan as per auditors' request in the 2013- 2014 school year.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the School Board staff for their cooperation with us during the performance of the audit.

This letter is intended solely for the information and use of the West Baton Rouge Parish School Board, management of the West Baton Rouge Parish School Board, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwait & Netterville

